

Approved For Release 2002/02/06 : CIA-RDP86-00244R000200530052-0

Last year, the nation's largest single building client, the General Services Administration (GSA), spent about \$7 million in design fees, for which it received indifferent buildings and a reputation for playing political football with design commissions. The much criticized state of Federal architecture results chiefly from the manner in which architectural firms are picked, although there are numerous other faults in the GSA program. If a recent crop of improved designs would seem to indicate a newly found ability to distinguish between professional capability and political friendship, they are largely the result of one specially appointed architect's efforts. Recent indications are that even this man has been tranquilized by the bureaucracy that runs the show.

Any architect or engineer competing for GSA commissions realizes, unless he is straight out of school, that selections too often are made not by his peers but by a Government officer ignorant of architecture and bent only on showing his boss how well he improves the standing of the party, and on providing himself with business contacts for his retirement.

Party improvement results from new or renewed loyalty at local, state, or Federal levels of citizens who also happen to be architects, engineers, or contractors. Loyalty, of course, is measured in a campaign chest, for without campaign funds and patronage opportunities a political machine cannot regenerate itself every four years, and if the machine fails, so will the prospects for work of architects with an inside track to Government officials.

### The Big Barrel

The Government of the United States is the biggest architectural client in the world; it spends more than \$3 billion annually for new buildings and additions or improvements to old buildings. For this, the Federal client spends about \$71 million a year for design fees. How Washington exercises its dispensation of contracts to architects and construction firms is a matter of great importance to the architectural profession. If the Government should suddenly opt for originality and innovation in its choice of architects, it could do more to improve and advance the art of building than all the schools and professional journals put together. But those now feasting at the trough with political and social connections in Washington would be in trouble.

Entire firms now rely solely on Government work to keep them solvent; for others, Government contracts form only a small but necessary part of their work; the vast majority of architects, however, are frozen out of the game. It is mainly to the last two categories that P/A directs this article, detailing how one major building agency, the GSA, has for the past 10 years run its \$2 billion construction program.

## THE FEDERAL CLIENT

### A critical look at the procedures involved in selecting architects for Government buildings.

With this money, GSA provides space for Government business, mostly through the construction of courthouses, customs houses and Federal office buildings. It also builds for several smaller agencies, the Smithsonian Institution and Howard University in Washington, D.C.

Not all Government structures are built by the GSA. The Department of Defense is probably the biggest contractor of all, with \$1.2 billion for "support facilities" in Vietnam alone (all, incidentally, built by a single contractor), and a \$1 billion annual domestic building program.

One of the prime sites in Washington, D.C., the 35-acres surrounding the Capitol, is outside GSA's jurisdiction. This area is reserved as the sanctuary for the Architect of the Capitol to exercise his contracting prerogatives, subject to the approval of a special Congressional committee. This makes the Capitol Architect's office the most blatantly political building agency of them all — a condition the Architect apparently enjoys.

Other agencies and departments, in-

Post Office, build their own facilities and do not have contact with the GSA except that many of the architects and contractors working for the latter agency also worked for the others.

### A Bubbling Bounty

The fount of political loyalty and patronage, Washington, D.C., bubbles unceasingly, keeping an undistinguished group of architects afloat with Government work, as well as several contractors who apparently are specially qualified to receive repeated Government contracts. The AIA and other professional organizations provide their officers with good social and political connections that can lead to government work.

Multimillion-dollar Federal office buildings affront the public, which not only pays, but also has to look at them, and the system that leads to the selection of "political" designers is never discussed above a whisper. Nevertheless, it is quietly discussed among architects who either sit tight waiting for their turn at the trough, or shrug resignedly because they cannot afford the going prices or just do not need the work enough to dirty their hands to get it.

Although the GSA is the ultimate client for architects working on most Federal buildings, the agency handles construction projects through a division called the Public Buildings Service (PBS). PBS thus takes the credit and the blame for GSA's \$2 billion construction program.

### Annual Appropriation

During the past 10 years, PBS commissioned a total of 275 major projects, worth \$1,970,801,000. (The actual 10-year total of taxpayers' money spent by the PBS is much larger, but P/A is discussing only the projects worth more than \$1 million.) To run its several services, PBS employs 22,000 persons on a \$146-million payroll, and spends another \$262 million for operating expenses. The services include building management, space management, and the design and construction program.

To finance the office buildings that GSA constructs, it has to request money from Congress. These requests are made in two steps, spaced one year apart. One is for funds to enable PBS to buy a site and pay for the design of a building, and the second request covers the construction cost.

At the beginning of the authorization process for building funds, GSA writes a prospectus for each proposed building. It gathers several of these prospectuses together and submits them to the Committees of Public Works in the Senate and the House of Representatives. These committees average six weeks to process the prospectuses; if they approve them, GSA is authorized to make its two-step financial appropriation.

Annual requests for

one year's design and another year's construction before October 1 to the President of the Budget for inclusion in the President's January budget.

This annual budget is sent to Congress for acceptance in the fiscal year that starts the following July 1. All GSA appropriations are reviewed for Congress by the House Independent Offices Appropriations Committee, which also controls budgets for the VA, HUD, NASA and about 20 independent agencies.

The 10-man committee generally approves all the proposed buildings, but it does occasionally reduce a building's budget. It also is empowered (but seldom uses this privilege) to appropriate money for constructing a building even though the Bureau of the Budget had not recommended it. Following the committee's approval and Congressional ratification, the GSA receives the funds for its buildings.

### The Hierarchy

Since PBS is only one arm of the GSA, its ultimate ruler is the Administrator of General Services. At the time of writing, the Administrator is Lawrence B. Knott, Jr., a career government officer appointed to his current job by President Lyndon Johnson in 1965; as the new President, Richard Nixon will appoint a new Administrator in place of the retiring Knott.

When the President appoints an Administrator, he gets fealty from seven more top-ranking men, who, in turn, are appointed by the Administrator. One of these appointees, with the title of Commissioner, runs PBS. He is William A. Schmidt, a 56-year-old civil engineer who made a career of PBS and rose through

its ranks before obtaining his current appointment in September 1966. That engineer is in charge of a mammoth architectural program should come as no surprise, since none of the Government's other building programs are headed by architects, and even the Capitol Architect is a civil engineer. The previous PBS Commissioner, who enjoyed only a short reign of nine months and was recommended by the AIA, was the first architect in that office.

Next in the hierarchy is Leonard Hunter, the Assistant Commissioner for Design and Construction, appointed by the Administrator in July 1967. Before that date, Hunter worked in John Carl Warnecke's office for four years, and before that he held the same post in PBS he holds today. He is the man who has the most immediate effect on the building program, running it from day to day and, with the help of Schmidt and Administrator Knott, wielding most influence over selection of architects and contractors.

During two of the four years Hunter was in Warnecke's office, the Assistant Commissioner for Design and Construction was Karel Yasko, formerly State Architect of Wisconsin. In his short term of office in Washington, he was the man most responsible for commissioning several nationally recognized firms to design major structures for the GSA. Yasko was brought into government service by President Kennedy in January 1963 to insure that at least some Federally sponsored building would be architecture the country could be proud of.

To help him, Yasko not only had the support of the President but also that of

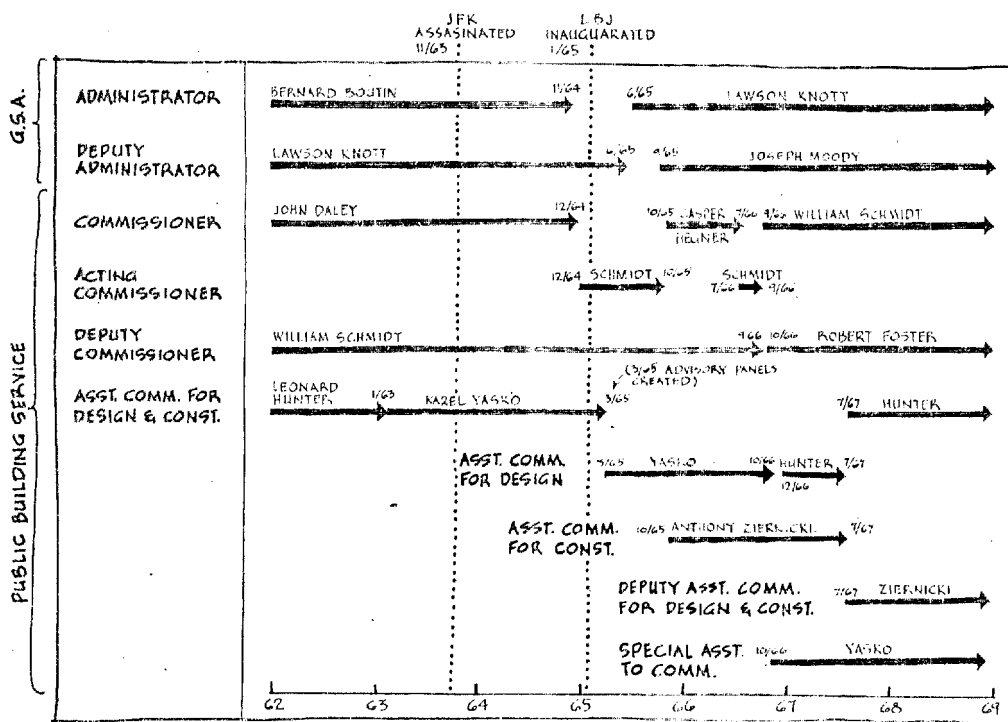
his brother, Robert Kennedy, and his brother-in-law, Stephen Smith. That even these politically potent forces could not inhibit for longer than a space of two or three years the system that doles out many of the largest commissions indicates how entrenched and well organized that system is. Within a week of Kennedy's assassination, nine projects were commissioned over the objections of Yasko and other professionals on the GSA staff. Within one-and-a-half years, Yasko's job was split, and less than another 15 months later, he was given his present title of "Special Assistant to the Commissioner," a position that does not even appear on the latest PBS organization chart.

### Federal Guidelines

Kennedy's efforts to improve the dismal state of Government architecture were begun at a cabinet meeting in August 1961, when he directed one of his Special Assistants, Frederick G. Dutton, to organize an "Ad Hoc Committee on Federal Office Space" composed of the heads of several Government agencies, including the GSA. The brief, excellent report the committee produced, titled "Guiding Principles for Federal Architecture," recommended a three-point architectural policy for the Government. Kennedy endorsed the policy and ordered the agencies to put it into action. Karel Yasko was the President's secret weapon for enforcement of the "guidelines" in GSA.

One of the three points called for the avoidance of an "official style" and stated "Design must flow from the architectural profession to the Government, and not vice versa." A second point was that "the choice and development of the building site should be considered the first step of the design process." But it is the third point that is most significant: "The policy shall be to provide requisite and adequate facilities in an architectural style and form which is distinguished and which will reflect the dignity, enterprise, vigor, and stability of the American National Government. Major emphasis should be placed on the choice of designs that embody the finest contemporary American architectural thought." Signed by Bernard Boutin, the Administrator responsible for rushing the nine commissions through after John Kennedy died, the "guidelines" cite Pericles' evocation to the Athenians as the proper role of the Federal Government in architecture: "We do not imitate, for we are a model to others." Yasko is still fond of this sentiment, and uses it often in his pleas to Congress for architectural excellence in Federal buildings. He is the only man in Washington who seems to remember it, as the new buildings around the Capitol testify, notably the Rayburn House Office Building.

When Yasko first appeared in Washington, six months after the "guidelines" were issued, he had to dig them out of



Time chart shows job changes in senior ranks of PBS during the past eight years. Karel Yasko was first demoted in March 1965, when his job was split, and again in October 1966, when a new title was created for him. Meanwhile, Hunter regained his former post.

Due to the Federal building program's enormous volume, and the notorious discrimination in hiring practices in the construction industry, the Federal Government stands marked as one of the country's worst offenders of civil rights legislation now on the books. The construction industry employs more men than any other industry in the U.S., and Federal agencies generate about 25 per cent of this country's annual construction; in urban areas, the Federal percentage rises to about 50. Thus, if any client is in an economic position to force compliance with equal opportunity provisions of the law, it is the U.S. Government.

When the black urban poor, with unemployment rates double or triple those of whites, vent their frustration through rioting, they are also expressing their anger against the Government. Although the President's Commission on Equal Employment Opportunity (which no longer exists) blacklisted five contractors performing GSA work in Cleveland in 1965, the Government has never used contract cancellation — the penalty specified for violation of the equal opportunity provisions of a succession of Presidential Executive Orders issued since 1961. The five blacklisted firms did not noticeably increase minority representation on that GSA job any more than other GSA contractors have in the past quarter century of Government inaction on equal employment in Federal contracting.

Besides the enormous amounts of money spent by the construction industry and its allied unions on filling the coffers of the Democratic Party treasury, the Labor Department's chief obstacle in forcing unions and contractors to hire blacks is the lack of teeth in civil rights legislation. Moreover, the civil rights laws did not specifically cover Federal construction agencies. This was remedied by President Kennedy in 1961 and later reinforced by President Johnson in 1965 when they issued Executive Orders that are much stronger than the civil rights laws banning discrimination in employment and apprenticeship on Federal and Federally assisted construction projects.

The best Federal directive for equal employment opportunities in construction work financed by the Government was signed by President Johnson in September 1965. The directive, Executive Order 11246, differed from previous orders by adding the important provision that contractors must take affirmative action to hire minority groups. It still retained the previous warnings about what would happen if contractors did not hire these groups.

These warnings to contractors or subcontractors who do not comply range from a threat to publish their names to a threat to cancel, terminate, or suspend their contracts.

Holding such a big stick is easier than wielding it, and even when armed with the Executive Orders, the Department of Labor has been loathe to use them. Moreover, the Orders leave it to each Federal contracting agency to obtain compliance with the rules and regulations, a job that GSA, like other agencies, has not seen fit to perform on its own.

Finally, in 1967, the Office of Federal Contract Compliance (OFCC) in the Labor Department received a mandate from Secretary Wirtz to put pressure on contractors and unions to comply with equal employment practices. In Cleveland, the OFCC enlisted all the agencies (including the GSA) involved in the area's \$123-million Government construction program to require that all low bidders give written programs outlining how minority groups would be represented on work forces. The programs had to be submitted before contracts were signed.

For the black community, which comprises 35 per cent of Cleveland's population, the result of the combined Government action was mildly encouraging. Before the OFCC action in Cleveland, there were 12 unskilled blacks in the mechanical trades. Then the contractors agreed to hire 300 men in these trades, and so far 123 have started work.

Cleveland is only one city out of 22 where OFCC is working. The results vary, and because the office is still young it has not had time to start its programs in every city.

The effect of insisting that contractors hire more blacks for Federally financed projects is short term. For a long-term improvement, more minority groups have to be trained in the construction crafts. To do this, someone, probably the Government, has to change the discriminatory attitude of construction unions.

One move in this direction faded at a time when it should have been promoted hard. The Labor Department proposed Federal regulations on apprenticeship schemes, but when Labor Secretary Wirtz was confronted with the opposition of the AFL-CIO at its biennial convention in December 1967, he said the regulations might not be issued. Off the podium, he said that the Administration would concentrate on a "voluntary" approach with the craft unions, which really means that the OFCC would have to lay off unions, contractors, GSA, and other agencies.

the GSA files where they had been buried and forgotten. "Business as usual" was the order of the day, and not even the AIA had taken up the battle by publicizing the report. That was undertaken by Yasko, who, in his brief spell of power, gave commissions to Mies van der Rohe for an \$80-million project in Chicago, Marcel Breuer for the HUD building in Washington, Hellmuth, Obata & Kassabaum for the Air and Space Museum, Roche Dinkeloo Associates for the National Aquarium (after it had first been given by Boutin to Welton Becket), Curtis & Davis for Federal Office Building #5, and Vincent G. Kling for a post office in Philadelphia.

## Review Panels Instituted

Another reformation wrought by Yasko were panels of architects — one panel at the national level and others in GSA's 10 regional offices — to review designs of Federal buildings, a device set up with the idea that professionals could judge better than GSA bureaucrats whether de-

signs submitted for approval by the agency were competently executed. Predictably, the GSA resisted this modest innovation, but in 1965 the panels were formed, with membership chosen by Yasko, Schmidt, and Hunter, subject to the approval of the Administrator who actually appoints each member.

Originally, the national panel had 17 members, but the number has dwindled to 13, all but two of whom are Fellows of the AIA. The regional panels have three members, originally appointed for two years, but that is now being changed to three-year terms with a carry-over for continuity and expanded to four members. Most of the regional panel members are also Fellows of the AIA, and several of them have been awarded sizable jobs by the GSA — some before and some after their appointment to the panels. Besides being Fellows, many panel members are former or present officeholders in the AIA. Since few are known for their ability as creative architects, their position in the AIA seems the criterion used for their

selection as panel members — a criterion whose relationship to Pericles' exhortation is difficult to pinpoint.

## Selecting Architects

Selection procedures for architects and contractors for GSA design commissions are also difficult to pinpoint. According to a recent PBS information booklet, "Professional competence and capability are the prime factors by which architects and engineers are selected. . . . Making the selections is a task assigned to Public Buildings Service as part of the construction program. The central office in Washington, D.C., and GSA's 10 regional offices share the task, with the size of project determining whether Washington or the field is responsible."

In attempting to find out exactly who makes the selections for major projects, P/A reporters were told several conflicting stories. The first was that Yasko, Schmidt, and Hunter make a list of recommended firms and the Administrator chooses one firm from it. Later it was

claimed this is the procedure for choosing panel members, not designers.

Next, it was the Administrator's responsibility is the Administrator's but he delegates it to Schmidt. For projects in Washington, D.C., the regional office covering the District recommends up to five firms and, again, Schmidt makes the final choice. When the D.C. regional office was contacted for further information, the director refused to discuss the subject and referred us back to the public relations director in the central office.

Apparently, Schmidt selects firms from lists supplied by Yasko and Hunter, but Administrator Knott can step in and exercise his legal responsibility and add names of his own to the lists. His criteria for selecting names have never been spelled out, and Administrators have often indulged this prerogative of office over the objections of the GSA professionals.

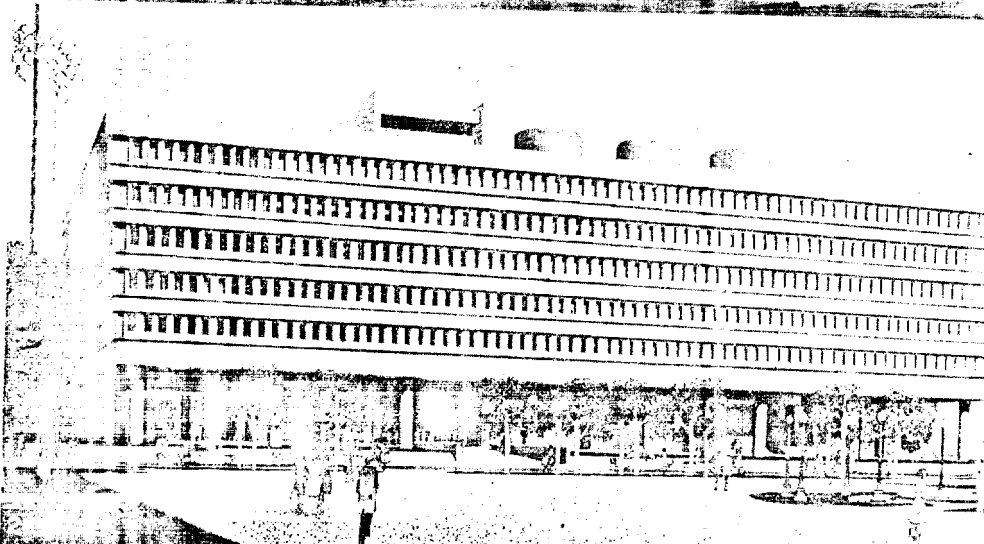
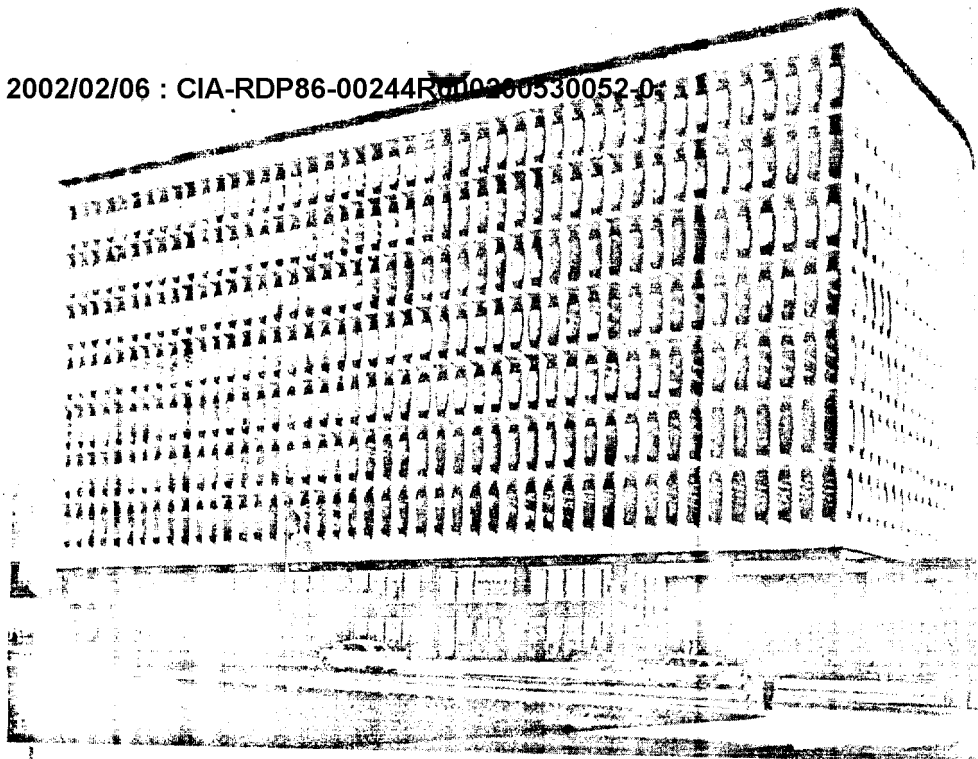
The most widely known example of this procedure occurred during Bernard Boutin's administration when several commissions were allegedly awarded through political connections with leading officials of the Democratic party. One of these, Richard Maguire, is believed by some Washington observers to be the nexus of political dispensation of professional contracts for many Government agencies. During Boutin's term of office, Maguire was the Treasurer of the Democratic Party; more recently, he was Hubert Humphrey's campaign treasurer. For the GSA contracts, Maguire apparently received help from Clifford Carter, President Johnson's man on the National Committee, and John Bailey, the chairman of the National Committee.

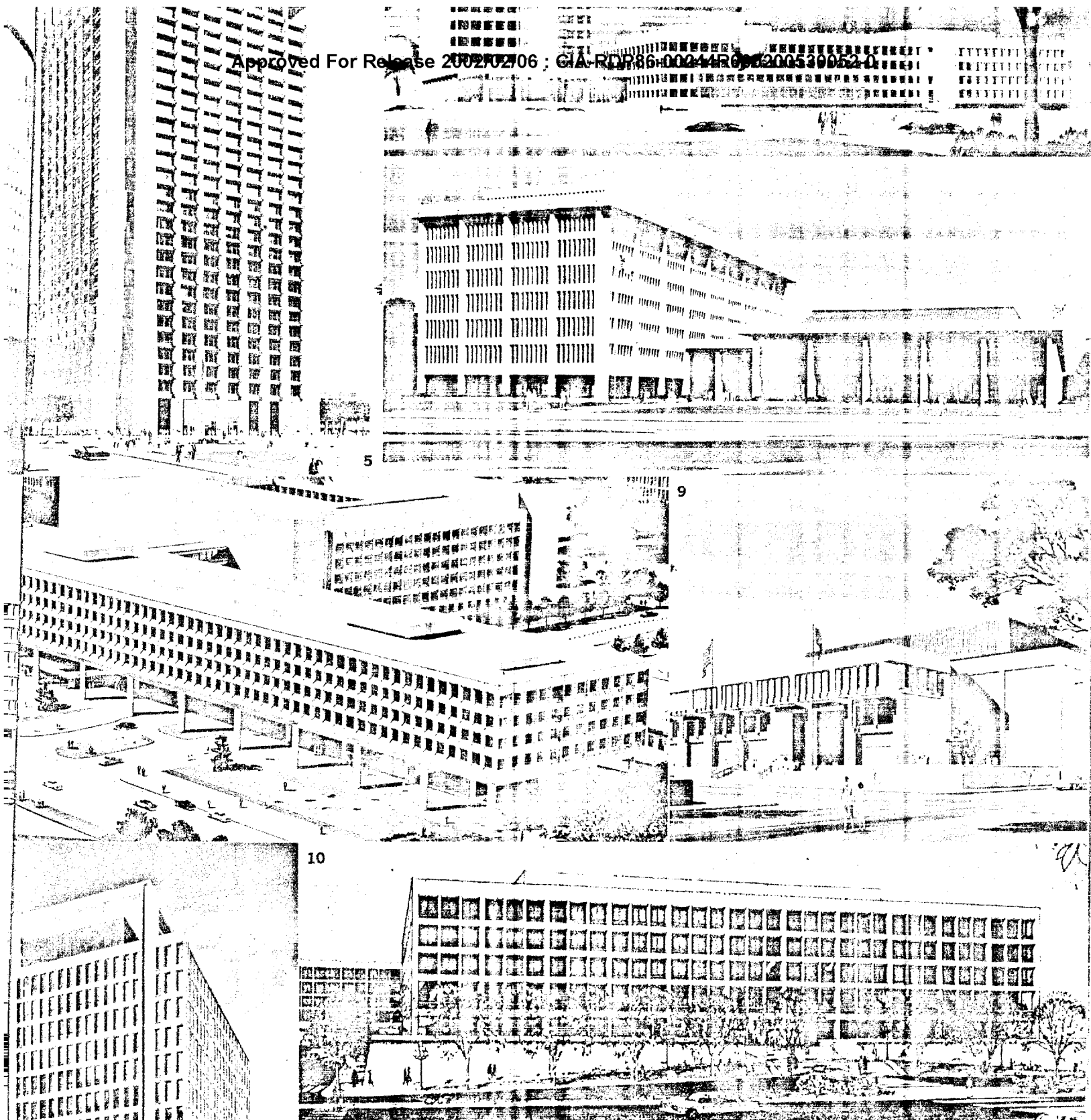
As Charles Bartlett, a prominent political correspondent for the *Chicago Sun-Times* wrote in 1965 (soon after Yasko was demoted): "The age-old struggle is waged between the professional architects within the Government, who want design contracts to go into the most competent hands available, and the politicians, who want them to fall to the architects who do the most for the party. The bureaucracy has tended, even in the Kennedy days, to bend with the politicians because they exert the most relentless pressures."

### Divide and Conquer

One key feature of selection procedures is the awarding of commissions jointly to two firms instead of one; usually, one firm is noted for its design work and the other for its political and social connections. One architect familiar with Yasko's problems during his stint as Commissioner told P/A about his GSA joint-venture: "As you may suspect, we did not seek out the other firm as partners, nor did they seek us, and this kind of throwing together of two totally dissimilar firms makes for no end of difficulty in performing the work. From what I hear of the Federal Government's efforts to take

Approved For Release 2002/02/06 : CIA-RDP86-00244R000200530052-0





**"The development of an official style must be avoided. Design must flow from the architectural profession to the Government, and not vice versa." — Federal Guidelines**

(1) Post Office and Court House, Juneau, Alaska; Olsen & Sands, Linn A. Forrest, and John Graham & Co. (2) Federal Building, Indianapolis, Ind.; Evans Woollen & Assoc. (3) Federal Building, Albany, N.Y.; Raymond & Rado and Theodore J. Kauffeld. (4) Federal Building, Newark, N.J.; W.E. Lehman & Co. and Biernacki-Poray. (5) Federal Building, Detroit, Mich.; Smith, Hinchman & Grylls Assoc. (6) Forrestal Building, Washington D.C.; Curtis & Davis, Fordyce & Hamby Assoc. and Frank Grad & Sons. (7) Federal Building, Boston, Mass.; Thayer & Associates. (8) Federal Building, Philadelphia, Pa.; Samuel Paul & Seymour Jarmal and Michael J. DeAngelis. (9) U.S. Mint, Philadelphia, Pa.; Parson-Jarden Corp. (10) Dept. of Labor Building, Washington, D.C.; Brooks, Barr, Graeber & White and Pitts, Mebane Phelps & White.



# PROFESSIONAL CONTRACTS WITH GSA

Approved For Release 2002/02/06 : CIA-RDP86-00244R000200530052-0

Nearly two years ago, the General Accounting Office (GAO) made a proposal that threatened to destroy the traditional concept of design professionals being gentlemen who do not compete among themselves for fees. GAO proposed that Government agencies should buy professional architectural and engineering services from the lowest bidder in the same way they buy materials, products, or contracting services. The suggestion is based on GAO's interpretation of existing laws, and the opposition based its rebuttal on another interpretation of these same laws.

One reason for GAO's promotion of competitively negotiated professional contracts is that the agency also proposes to eliminate the present 6 per cent limit on fees based on the estimated construction contract of a project. But on this the professional societies agree with the Federal Government.

## Not Open Bidding

The terminology leading to discontent over contracts is sometimes misunderstood. GAO takes pains to explain that it does not propose that any architect or engineer be permitted to bid on a Government agency's proposed building project. This would be akin to an open bid for a construction contract. Instead, GAO wants to call for design bids from a short list of invited architectural or engineering firms, and since they are all presumed to be equally qualified, the contract would be awarded to the lowest bidder.

This system is called competitive negotiation by GAO, but people opposed to it claim that the term is a euphemism for competitive bidding. Competitive negotiations take the current negotiated contract system practiced by GSA one step further. At present, GSA selects an architect and asks him to prepare a detailed esti-

mate of the fee for a project. If GSA believes the fee is too high, it invites the architect to revise the estimate downward to an agreeable figure. If this is not possible, GSA concludes the negotiation and invites another firm to take the job and submit a fee estimate.

## Congressional Watchdog

The General Accounting Office serves as the Federal Government's financial and management auditor, and in this role it was asked to review how Federal agencies determine and negotiate architect-engineer fees. The request for review emanated from two Congressional committees on space and aeronautics that were concerned about NASA paying more than the statutory 6 per cent fee limit for complex architectural and engineering design.

In its review published in April 1967, GAO found that most Government agencies paid more than the 6 per cent limit, and recommended that Congress repeal the limitation and pay fees based on a reasonable value for professional services.

While reviewing the five statutes governing fee limitations, the GAO also ran a survey on actual fees paid by several Government agencies for architect-engineer services. The survey showed that the GSA exceeded the 6 per cent fee in more than half of the 393 contracts sampled.

However, GSA and other agencies feel justified, since they maintain that the 6 per cent fee limit applies only to design services, specifications, and the production of drawings. The justification for this is that three of the five statutes for Government procurement of professional services specify the work (and hence limit the fees) to be for the production of designs, drawings, and

lection of architects out of Yasko's hands and put it under nonarchitectural control, this difficulty will be compounded in the future. It seems obvious to me that, even in my case, Yasko did not have full say in architectural selection."

Other examples of the lack of professional criteria in selection of architects are easy to come by. For instance, in New Hampshire, all GSA work for the past 10 years has gone to the same firm—more than \$13 million in contracts. (Bernard Boutin was a prominent New Hampshire Democrat.)

In New Jersey, the eighth largest state in the nation and one of the fastest growing, only one major GSA building has been constructed in the past 10 years. The commission for that one, a \$13-million Federal office building in Newark, went to the New Jersey AIA chapter president, who was also a member of the Newark Planning Commission.

In Alaska, one firm has been awarded all GSA work. The firm's president is a former member of the Alaska State Planning Commission, and a former vice-president of Engineering and Architectural Examiners in that state.

In New York, all but one or two jobs went to Fellows or chapter presidents of the AIA.

In October 1968, a prominent GSA official retired and was appointed as Assistant to the Vice-President of the Washington, D.C., office of Sverdrup & Parcel, an architectural-engineering firm

that has obtained two GSA commissions worth \$20 million. One of them, a Federal office building budgeted at \$14,954,000, was terminated in the preliminary design stage and later given to another firm, a procedure usually followed in GSA when the design is unacceptable. And when it went to the second firm, for some reason the building was only budgeted at \$8,578,000. (In the past 10 years, out of 275 contracts, only 4 have been cancelled.)

## The Fish House Job

Even some of the excellent designs that GSA has commissioned recently owe their origins to sustained efforts by Congressmen. Representative Mike Kirwan (Democrat, Ohio) exerted great pressure to get the commission for the National Aquarium for Roche, Dinkeloo & Associates after it had first been given to Welton Becket, apparently as a result of that firm's inside track to GSA. Becket has obtained two other GSA jobs, valued at \$28,464,000, but the Aquarium is Roche's first. Wolf von Eckhardt, architectural critic for *The Washington Post*, commented on the Aquarium commission before it had been given to Roche:

"GSA's stuffy, secretive business seems to go on as usual. Washington's new Aquarium, for instance, an item low on the list of the city's needs but high on that of certain Congressmen, will be built by a California firm mainly distinguished for the size of its staff and corporate

projects. It's too bad. For if we must have a fish house it might as well be an architectural asset."

Senator Clinton Anderson (Democrat, New M.) is believed to be responsible for getting Obata for the Air Museum, and Representative Henry Reuss (Democrat, Wisc.) created a panel to guide the new post office design for Milwaukee.

Further insight into GSA selection procedures can be glimpsed from examining the role of the AIA in supplying the agency, as well as other Government contractors, with architects. Presidents of the AIA have done especially well: seven of the most recent holders of that office have received seven major commissions, valued at nearly \$100 million.

The Capitol Architect's office, although it was recently scored in the press for the Rayburn building, has nonetheless escaped critical coverage in the architectural press for its habit of giving nearly all the commissions for major buildings in J. George Stewart's time in office to the same group of architects. *The New York Times*, as well as Philip Hutchinson, director of Government Affairs for the AIA, described the practice as a monopoly on Capitol Hill work by seven firms, traceable directly to Stewart's assistant, Mario Campioli, a former employee of two of the firms involved. The firms, as listed by the *Times*, are: Roscoe DeWitt and Fred Hardison of Dallas, Alfred Easton Poor and Albert Swanke of New York, and Jesse M. Shelton, the

Approved For Release 2002/02/06 : CIA-RDP86-00244R000200530052-0

specifications. The other two statutes specify that the fee limitation applies to all professional services. This could include soil investigation, master planning, field inspection, and many other costly services.

So, GSA adds fees for these other services to the 6 per cent for design and specifications; then, when GAO figures this total fee as a percentage of the estimated construction cost, it naturally arrives at a different figure from the 6 per cent design fee.

It remains to be seen how competition will lower fees, or even if competitive negotiations will ever be introduced. Meanwhile, under the present GSA system of inviting one firm to bid on a project, the fee tends to follow the old 6 per cent formula. This is the result of GSA establishing the budget for a project in advance, and an architectural firm simply has to assign 6 per cent to cover the design and specifications of the project, and adjust the man-hours and expenses to fit that figure. All the other costs, such as field supervision, can be added.

### Stopped in Committee

A copy of the 1967 GAO report was sent to the Government Subcommittee of the Committee of Government Operations. The subcommittee, under the chairmanship of Congressman Jack Brooks (Democrat, Tex.), took strong exception to the proposed competitive negotiations, and wrote these views in a long letter to the Comptroller General of the United States, who heads GAO.

Brooks said that the GAO and the subcommittee read different interpretations of the statutes affecting procurement of professional services, and that he would not support competitive negotiations. Furthermore, the subcommittee does not agree that the 6 per cent limit should be dropped because it sees no suit-

able substitute for "protecting the public against ill-advised action on the part of executive officials."

Nearly one year after Brooks sent his letter to the GAO, his office had still not received a reply. During this time, however, two House Committees made known their interpretation of the difference between buying M-16 rifles and architect-engineer services. Of "Section 406-Negotiated Procurement," they wrote, "The conferees wish to make it entirely clear that their agreement on this language [to prevent buying rifles without considering all qualified bidders] in the bill is not intended to modify in any way the traditional method of procuring architect engineer services."

Congress approved this Conference Report and the President signed it in October 1968. The purpose of a Conference Report is to explain the intent of Congress with regard to a new law or a change to an existing law: It records for history why Congress did what it did. But in this case, GAO believes the report is not the final historical word, and that the amendment leaves the way open to another amendment.

To make this second amendment, GAO would have to take its changes through the two House committees, and, to quote one committeeman, "both these paths are clearly blocked." So, temporarily, the competitive negotiation is in abeyance because the GAO cannot enforce it unless Congress directs it to.

Although the issue seems cut and dried, GAO and professional society representatives seem cautious about saying so. They seem to be defensive about the other side's capability of changing the situation, and since these men are in the strongest position to know, we may conclude that the political word games are not over.

late Alan G. Stanford and A.P. Almond of Atlanta, DeWitt, Poor, Swanke, Shelton, and Almond now have the design commission for another new building on Capitol Hill, the \$75-million Madison Memorial Hall.

With this in mind, P/A reporters asked GSA officials if there was any connection between the Architect's office and the PBS building program. Schmidt's and Hunter's answer was that there was no connection at all between the two. But J. George Stewart himself flatly contradicted them in his testimony to a Senate Appropriations Subcommittee in April 1968 where he appeared to urge Congress to appropriate money for the Madison job for DeWitt and company. Stewart glibly stated: "When we were moving along with the work, we went to Lawson Knott, GSA Administrator. . . . His architects also went over these plans and program, and they said they thought we had a very fine building laid out. . . . We have a thorough approval from Lawson Knott's office on this, and the architects, because they have done a lot of work for him also."

In a 10-year list of GSA projects, two commissions for \$51.5 million are attributed to members of the DeWitt consortium, but there may be more since one of these jobs is listed under a different firm name.

### Cooperative Contractors

A final aspect of GSA's handling of selec-

tion procedures concerns the agency's choice of contractors. The construction industry's interest in politics is well known, so it should not be surprising that 60 per cent of the contractors selected by GSA, supposedly by submitting low bids to PBS in an open bidding procedure, are repeaters, and many of them have had more than three of the large contracts. And of the jobs valued at over \$6 million, 75 per cent have been awarded to the same small circle of contractors with a special aptitude for submitting low bids.

Perhaps some light can be shed on this process through one of the few reported instances where it received some publicity. Mathew McCloskey, owner of the contracting firm noted for building the Rayburn Building at record cost, also built the U.S. Embassy in Ireland and then prodded President Kennedy into allowing him to move into it as ambassador. Since then, McCloskey has obtained one commission from GSA, but that one—the Mint building in Philadelphia—was obtained through what appears to have been a private arrangement with GSA officials. Even though another of the "insiders" had submitted a low bid, McCloskey turned up five days later with a lower bid and got the job. This was reported by Senator John J. Williams (Republican, Del.) who also reported: "One prominent builder has stated that his company did not even waste its time and money in preparing a bid for this project since it was well known in construction circles that McCloskey & Co.

was to get the contract regardless."

In spite of McCloskey's reputation for politics and a seemingly insatiable appetite for getting into trouble with clients, GSA officials Schmidt and Hunter reassuringly informed P/A that McCloskey's was a "responsible" firm well-qualified for government work.

### Apathetic AIA

Most architects have already heard that the entire Government program of commissioning private firms for its work, whether that work is architectural or supplying the Army with rifles or constructing "vertical assembly buildings" for NASA, is open to political deals of all types and descriptions. Also, architects are as aware as other private businessmen that it pays to know somebody in Washington, but the vast majority are either unwilling or unable to capitalize on that fact. It is a shame that so many do, but more of a shame that the AIA does not use its position to exert some pressure on Federal agencies to change—for the good of the public as well as the art of building. Instead, many present and past officers are among the indifferent designers of major public buildings. In short, the architectural profession, as represented by the AIA, is evidently content that publicly financed architecture lives up to the policy stated in the "Federal Guidelines" and that it reflects the "dignity, enterprise, vigor, and stability of the American National Government." — RHC, PG